



## **PRESS RELEASE**

Stockholm, August 23, 2004

### **NOTICE TO ATTEND ANNUAL GENERAL MEETING IN ELEKTA – PROPOSALS FOR SHARE REPURCHASE AND SHARE UNIT PLAN**

Shareholders in Elekta AB (publ) are hereby invited to attend the Annual General Meeting to be held on Tuesday, September 21, 2004, at 3:00 p.m. in the Finlandshuset Conference Center, Snickarbacken 4, Stockholm.

#### **Notification, etc.**

Shareholders who wish to participate in the Meeting must be listed in the register of shareholders maintained by VPC AB (the Swedish Securities Register Center) not later than Friday, September 10, 2004 and notify the Company of their intent to participate in the Meeting (including any assistants) not later than Wednesday, September 15, 2004 at 4:00 p.m.

Notification of participation at the Annual General Meeting may be forwarded in writing to Elekta AB (publ), Attn: Corporate Communications, Box 7593, SE-103 93 Stockholm, by telefax: +46 8 587 255 00, or by telephone +46 8 587 254 00. Notification can also be made by e-mail to [elisabeth.natt.och.dag@elekta.com](mailto:elisabeth.natt.och.dag@elekta.com).

Notification forms will be forwarded with the Company's Annual Report. In providing notification in any other manner, shareholders must state their name/company name, national registration/corporate registration number, address, daytime telephone number and the registered number of shares held.

Shareholders whose shares are registered in the names of nominees, through the trust department of a bank or other trustee, must temporarily re-register the shares in their own names in order to participate in the Annual General Meeting. Such re-registration must be completed not later than September 10, 2004, which means that shareholders in sufficient time prior to this date must instruct the nominee to carry out such action.

The financial statements and auditor's report (points 7-10) will be available at the Company's head office at Kungstensgatan 18 in Stockholm as of Tuesday, September 7, 2004 and will be forwarded at that time to the shareholders. The Board's and the shareholders' complete proposals for decisions in accordance with points 15-19 will be available at the same address as of the same date and will be forwarded at that time to the shareholders who so request and provide their mailing address. All of the above documentation will also be presented at the General Meeting and will be available on the Company's website, [www.elekta.com](http://www.elekta.com).

#### **Agenda**

1. Opening of the Meeting
2. Election of the Chairman of the Meeting
3. Preparation and approval of the list of shareholders entitled to vote at the Meeting



4. Approval of the agenda
5. Election of one or two minutes-checkers
6. Determination of whether the Meeting has been duly convened
7. Presentation of the Annual Report and the Auditors' Report for the Parent Company and the consolidated accounts and the Auditors' Report for the Group
8. Motion concerning adoption of the balance sheet and income statement and the consolidated balance sheet and consolidated income statement
9. Motion concerning approval of the disposition of the Company's earnings as shown in balance sheet adopted by the Meeting
10. Motion concerning the discharge of the members of the Board of Directors and the President from personal liability for the fiscal year
11. Determination of the number of members and deputy members of the Board of Directors
12. Determination of the fees to be paid to the members of the Board of Directors and the auditors
13. Election of Board members and any deputy Board members
14. Election of auditors
15. Proposal on authorization for the Board to acquire and transfer own shares
16. Proposal on establishment of an incentive program
17. Proposal on establishing a nomination committee elected by the General Meeting
18. Report on the work and function of the compensation committee
19. Proposal that the Board appoints an audit committee

## **BOARD PROPOSALS FOR DECISION**

### **Points 9 and 15 – Dividend and authorization for the Board to acquire and transfer own shares**

The Board proposes that no dividend be paid to the shareholders. Instead, the Board intends to transfer capital to the shareholders, in accordance with the Company's dividend policy, through the purchase of own shares pursuant to the following authorization.

The Board proposes that the Meeting authorize the Board during the period until the next Annual General Meeting, on one or more occasions, to decide on acquisition of a maximum number of own shares to the extent that after purchase the Company holds not more than 10 percent of the total number of shares in the Company. The repurchase shall be carried out on Stockholmsbörsen (the Stockholm Stock Exchange) at a price within the registered price interval (spread) at any given time, that is the interval between the highest bid price and the lowest ask price, and in other respects taking into consideration the recommendations issued by the Swedish Industry and Commerce Stock Exchange Committee at any given time. The purpose of the repurchase of own shares is firstly to align the Company's capital structure to the Company's capital requirements and where appropriate to be able to transfer shares in conjunction with the financing of company acquisitions and other types of strategic investments and acquisitions.

The Board proposes that the Meeting authorize the Board during the period until the next Annual General Meeting, on one or more occasions, to decide on the transfer of shares in the Company. The transfer of shares may be carried out in the maximum amount of own shares that the Company holds at any given time. In conjunction with the acquisition of companies, the transfer may be effected with waiver of the shareholders preferential rights



and to a price within the so-called spread (see above) at the time of the decision on transfer and where appropriate taking into account the recommendations issued by the Industry and Commerce Stock Exchange Committee at any given time. The payment for the transferred shares may be made in cash or through non-cash issue or offsetting of claims against the Company, or on specific terms. The reason for the Board's authorization to waive the shareholders' preferential rights is to, where appropriate, be able to transfer shares in conjunction with the financing of any company acquisitions and other types of strategic investments and acquisitions in a cost-efficient manner.

The decision of the Meeting in accordance with the Board's proposal pursuant to point 15 must be supported by shareholders with at least two thirds of the votes cast and of the number of shares represented at the Meeting.

### **Point 16 – Establishment of an incentive program**

#### A. Adoption of Elekta AB 2004 Share Unit Plan

The Board proposes that the Elekta AB Share Unit Plan (the "Plan") shall be adopted. The aim is that the terms and guidelines stated in the Plan document shall be the basis for annual grants of employee options that provide the possibility to acquire Series B shares in the Company to key personnel within the Elekta Group during the period 2004/2005–2006/2007. The intention is that each year's grant shall be contingent upon approval of the Annual General Meeting.

The main terms in the plan are (i) that for the employees to receive employee options and retain the possibility to acquire shares, it is required that the employee shall acquire a certain number of shares in the Company on the market and hold these shares until exercise of the option; (ii) the number of shares that it will be possible to acquire based on the employee options is determined based on the fulfillment of a collectively established performance goal; (iii) it shall be possible to exercise one third of the options annually; (iv) the options are nontransferable; (v) the options are dependent upon continued employment; (vi) the price that shall be paid to receive shares on exercise of the option shall amount to not less than 110 percent of the share's market value at the time of the option offer; (vii) the lifetime of the option shall be a maximum of four years, and (viii) the financial gain that the employee could receive on the granted options is maximized to 400% of the price that shall be paid for the shares.

The number of employee options outstanding in accordance with the Plan may not at any time result in a dilution of the total number of shares outstanding of more than 5 percent.

The purpose of the incentive program is to create involvement by key personnel in the Company's development and to ensure that they share the objective to generate profitable growth. It is also intended to motivate key personnel to continued employment in the Company. The need for an equity based incentive program should be viewed against the background that the Group is active in a global market and most of the employees that are considered for the program are active in markets where equity based incentives is a normal component in the total compensation package.

#### B. The Board's proposal to decision on issuing employee options in accordance with the Plan



The Board proposes that the Annual General Meeting decide on the issuance of employee options (allotment 2004) in accordance with the Plan and the terms stated therein and in other respects mainly in accordance with the following.

Employee options shall be offered to about 50 key personnel divided into four levels: the executive management (1-3 persons), other senior executives (about 5 persons), senior managers (about 18 persons) and middle managers and other key personnel (about 25 persons). Upon attainment of the performance goals, the allotted options shall provide the possibility to acquire a maximum of 530,000 shares. If the performance goals are exceeded, a possibility shall arise to acquire an additional maximum of 202,000 shares. The performance goal is based on operating margin calculated on profit before financial items and tax. If the performance goal is exceeded, sales growth compared with the preceding year shall also be significant for the possibility to acquire additional shares. Fulfillment of the performance goals shall be determined as per April 30, 2005.

The employee options shall have a lifetime through and including July 31, 2008. In the event that there are obstacles to allot employee options to the employees in certain countries, the Board shall have the right to instead issue synthetic employee options to these persons. Such synthetic employee options shall be issued in accordance with the comparable terms as the employee options, but with the exception that they only carry rights to cash settlement.

Decision in accordance with points A and B can be made with a simple majority. However, the decision on issuance of employee options pursuant to point B shall be conditional upon the Meeting also deciding on the issue of debentures linked to detachable warrants in accordance with point C below.

C. Board's proposal to assume debenture loans through the issue of debt instruments linked to detachable warrants for new subscription of shares and the approval of the transfer of warrants

To ensure that the Company can fulfill its obligation to deliver shares when the holders of employee options request exercise, the Board proposes that the Meeting shall decide that the Company shall assume debenture loans in a maximum nominal amount of SEK 100 through the issue of debentures linked to a maximum of 732,000 warrants for subscription of new Series B shares in the Company. As a result thereof, the Company's share capital could rise by a maximum of SEK 3,660,000 corresponding, at full subscription, to about 2.3 percent of the total number of shares and about 1.7 percent of the total number of votes in the Company. Taking into account also the outstanding subscription options reserved for earlier employee option programs in the Company, the share capital increase, at full subscription, could correspond to about 4 percent of the total number of shares and about 3 percent of the total number of votes in the Company.

With waiver of the shareholders' preferential rights the Company's subsidiary Elekta Instrument AB shall be entitled to subscribe for the debentures and warrants. The subsidiary shall have the right and obligation to detach the warrants and, at the request of employees for exercise of employee options issued by the Company (or synthetic options if applicable), to fulfill the Company's obligations through transfer of the warrants.

The debenture in a maximum nominal amount of SEK 100 shall be issued at a price corresponding to the nominal amount. The debenture is interest-free and matures for payment on April 30, 2005. The price at which subscription of a new Series B share shall



be carried out will be 105% of the average closing price during the 10 trading days directly after the Annual General Meeting, but cannot be below the nominal value of the share. Subscription of Series B shares based on the warrants, whereby one (1) warrant carries the right to subscribe for one (1) Series B share, can be carried out during the period from and including August 1, 2005 to and including August 1, 2008.

The ordinary terms and conditions apply with regard to the adjustment terms, etc. Subscription and payment of the debentures with warrants shall be carried out not later than October 31, 2005.

The reason for the waiver of the shareholders' preferential rights is that the Board proposed to the Meeting to issue employee options in accordance with point B. A condition for the decision regarding the issuance of employee options – in the form stated in point B – is that the proposed issue of debentures with detachable warrants is made to the subsidiary.

The President or the person authorized by the President shall have the right to make such minor changes to the decision of the Meeting that may be required in conjunction with registration of the issue and any registration of the warrants with VPC (Swedish Securities Register Center).

The decision by the Meeting in accordance with the Board's proposal pursuant to this point C requires that the Meeting's decision is supported by shareholders representing at least nine tenths of the votes cast as well the shares represented at the Meeting.

The Board further proposes that the Meeting decide that the warrants issued in accordance with point C and which the Board considers are not necessary to secure the Company's obligation in accordance with the issued employee options shall be cancelled as soon as possible. It is proposed that the Meeting instruct the Board to carry out such cancellation.

## **OTHER PROPOSALS FOR DECISION**

### **Points 11 to 14 – Proposals for election of the Board and auditors and the fees to be paid to the Board and the auditors**

It is proposed that the Board comprise six members and no deputy members. It is proposed that Akbar Seddigh, Magnus Schmidt, Carl G. Palmstierna, Tommy H. Karlsson, Laurent Leksell and Hans Barella be re-elected as Board members.

A total fee to the Board of SEK 1,380,000 is proposed, of which 440,000 to Akbar Seddigh in his position as Chairman and SEK 60,000 in his position as Chairman of the Executive Compensation Committee and SEK 220,000 each to Magnus Schmidt, Carl G. Palmstierna, Tommy H. Karlsson and Hans Barella.

It is proposed that Deloitte & Touche Aktiebolag, with Lars Svantemark as senior auditor, be re-elected as the Company's auditors.

It is proposed that the auditor fees be paid on a current account basis against approved invoices.



The proposal in accordance with this point has been prepared by the nomination committee and is supported by shareholders representing more than 43 percent of the votes in the Company.

**Point 17 – Proposal on establishing a nomination committee elected by the General Meeting.**

The Swedish Shareholders' Association has announced a proposal whereby a nominating committee shall be appointed by the Annual General Meeting and comprise three to five members independent of the Company that represent the Company's owners at General Meetings. It is proposed that a representative of the smaller shareholders be included in the committee.

A number of major shareholders propose that the nominating process mainly be carried out in the same manner as prior to this Annual General Meeting. This procedure means that the Chairman of the Board prior to the close of the fiscal year contacts representatives of at least five of the largest shareholders who together and under the leadership of the Chairman of the Board shall prepare a proposal for members of the Board to be submitted to the Annual General Meeting for decision. The names of the committee members shall be announced publicly as soon as they are appointed.

**Point 18 – Report on the work and function of the compensation committee**

The Swedish Shareholders' Association has requested that the work and function of the Compensation Committee be reported under a separate point at the Meeting.

**Point 19 – Proposal that the Board appoints an audit committee**

The Swedish Shareholders' Association has announced a proposal whereby the Annual General Meeting should instruct that the Board appoint an audit committee comprising Board members who are not employed by the Company.

Stockholm, August 2004  
Board of Directors of Elekta AB (publ)

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**For further information, please contact:**

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Elekta is a world-leading supplier of advanced and innovative radiation oncology and neurosurgery solutions and services for precise treatment of cancer and brain disorders. Elekta's solutions are clinically effective, cost efficient and gentle to the patient.

For additional information about Elekta, please visit [www.elekta.com](http://www.elekta.com)